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S E C R E T SECTION 01 OF 02 BAGHDAD 001201

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E.O. 12958: DECL: 04/17/2018 TAGS: <u>PGOV PREL PINS IR IZ</u>

SUBJECT: PRT MUTHANNA: DANGEROUS BUSINESS: IRANIAN EFFORTS

TO SHAPE S. IRAQ POLITICS

Classified By: PRT Team Leader Paul O'Friel for reasons 1.4 (b) and (d)

- 11. (U) This is a PRT Muthanna reporting cable.
- (S/REL MCFI) SUMMARY: Post Basra, Sadrist fortunes are reviving in Muthanna, coupled with growing disenchantment with Islamic Supreme Council of Iraq (ISCI) and Dawa, a politicians who control the local and provincial government. However, a third force) Iran) may be maneuvering to fill the gap between the still-not-rehabilitated Sadrists and the discredited ISCI/Dawa, a politicians. Multiple local sources allege that Iran is spending "millions" of dollars to cultivate a series of "independent" candidates to run in the upcoming provincial elections. Governor Marzook, who is allied with neither ISCI nor Da'wa, is worried about Iranian influence, but believes the elections could provide an opportunity to change political borders. He urges the United States support politicians who back secular federalism. If the stories about Tehran developing a list of "independent" candidates to do its bidding are true, we face numerous challenges ahead, for the Iranians appear to have covered their bets at the political table by providing support to each and all of the political forces: ISCI/Dawa'a; the Sadrists; and, the "independents." As one of our well placed contacts said, "This is very dangerous business." END SUMMARY.
- 13. (C) The after shocks from Basra have begun to reverberate through the neighboring province of Muthanna. Under the nation-wide agreement between the Maliki government and Moqtada al-Sadr, local police have released the 50 or so Sadrists they preemptively arrested before the kick-off of the Basra anti-militia operation in late March. The Sadrists have also been given permission to re-open their Rumaytha offices) a long-standing demand. The Office the Martyr Sadr (OMS) bureaus were closed after successful security force operations in December 2006 broke up Sadrist attempts to expand their power in the province.
- 14. (C) The Sadrist movement in Muthanna, which has lacked effective leadership since December 2006, also has a new head, Sheikh Muhannad Abdul Hussein al-Karbala'i, who we understand is quite capable. Our sources tell us that the well-educated and cultivated Sheikh is several cuts above his more thuggish followers.
- 15. (C) The revived fortunes of the Sadrists are coupled with growing disenchantment with Islamic Supreme Council of Iraq (ISCI) and Da'wa politicians who control the local and provincial government. "What you have to understand," one well informed contact told us, "is that people are fed up) there is widespread dissatisfaction with the increase in water, electricity, and telephone fees." ISCI/Da'wa have been discredited because of their perceived corruption and inability to provide or improve basic services.
- 16. (C) Another local observer commented, "Many people are disillusioned with what they have seen of our early efforts

- at democracy -- politicians elected in 2005 had nothing; today they are wealthy." He noted the widespread practice of paying a bribe to secure a job with the security services and the relationship between the political parties and the police, saying, "There are some 250 policemen in Muthanna working for just one political party." The widespread perception that Prime Minister Maliki launched the Basra operation as a political gambit to crush the Sadrists before the October elections has not helped ISCI/Da'wa's reputation.
- 17. (S/REL MCFI) A third force may be maneuvering to fill the gap between the still-not-rehabilitated Sadrists and the discredited ISCI/Da'wa politicians) Iran. According to multiple local sources, Iran has singled out a series of potential "independent" candidates for the upcoming provincial elections. Quietly funneling money to selected individuals, the Iranians have allegedly identified local businessmen and other community leaders who, in gaining office, would serve Tehran,s interests. The money, which is said to come in the form of business opportunities, no-interest loans, or gifts of cars, houses, cattle, and land, purportedly numbers ¬ in the thousands, but in the millions8 of dollars.
- 18. (S/REL MCFI) One prominent commentator bitterly remarked, "The Iranians are manipulating events in Iraq to serve their purposes. There will be no peace if we let the Iranians interfere with our affairs." Truly independent candidates, he said, are needed to demonstrate that they are not corrupt, and that they have Iraq's interest at heart, not Iran,s. "Without a true awakening to Iraq,s needs, there will be no democracy in this country."
- ¶9. (S/REL MCFI) This concern about Iran,s intentions
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reaches to the highest levels of the province. In an April 13 meeting with the Provincial Team Leader, Governor Ahmed Marzook al-Salal expressed concern about where his country was heading, saying it was a "very dangerous situation." "What democracy do we have in Iraq? The turban heads are running the country." He worried that without true independent candidates, Iranian-influenced ISCI would succeed in its goal of creating a nine-province Shia, a region in southern Iraq. He argued vehemently that this was the wrong approach. "It will partition the country, and make Muthanna and the rest of the south part of Iran." Marzook, who is an independent, stressed that no true Iraqi wanted the country to be divided. He noted that the upcoming provincial elections posed a danger, but also represented an opportunity to change political borders. Marzook urged that the United States support politicians who would back secular federalism. "The climate is right to fix things," he stated.

110. (S/REL MCFI) COMMENT: Muthanna represents in microcosm the challenges inherent in southern Iraq, where our knowledge of the nature and extent of the Iranian networks is still unclear. If the stories about Tehran developing a list of "independent" candidates to do its bidding are true, we face numerous challenges ahead, for the Iranians appear to have covered their bets at the political table by providing support to each and all of the political forces: ISCI/Dawa'a; the Sadrists; and, the "independents." As one of our well placed contacts said, "This is very dangerous business." CROCKER